KUWAIT FINANCE HOUSE B.S.C. (c)

CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

30 SEPTEMBER 2026

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KPMG Fakhro
Audit
12th Floor, Fakhro Tower,
P.O. Box 710, Manama,
Kingdom of Bahrain

Telephone +973 17224807
Telefax +973 17227443
Website: www.kpmg.com/bh
CR No. 6220 - 2

Independent auditors' report on review of condensed consolidated interim financial information

To the Board of Directors of
Kuwait Finance House B.S.C. (c) (formerly, AHLI UNITED BANK B.S.C. (c)
Kingdom of Bahrain

Introduction

We have reviewed the accompanying 30 September 2026 condensed consolidated interim financial information of Kuwait Finance House B.S.C. (c) (formerly, AHLI UNITED BANK B.S.C. (c)) (the "Bank") and its subsidiaries (together the "Group"), which comprises:

- the condensed consolidated interim statement of income for the three-month and nine-month periods ended 30 September 2026;
- the condensed consolidated interim statement of comprehensive income for the three-month and nine-month periods ended 30 September 2026;
- the condensed consolidated statement of financial position as at 30 September 2026;
- the condensed consolidated interim statement of cash flows for the nine-month period ended 30 September 2026;
- the condensed consolidated interim statement of changes in owners' equity for the nine-month period ended 30 September 2026;
- the condensed consolidated interim statement of income and attribution related to quasi-equity for the three-month and nine-month periods ended 30 September 2026;
- the condensed consolidated interim statement of changes in off-balance sheet assets under management for the nine-month period ended 30 September 2026; and
- notes to the condensed consolidated interim financial information.

The Board of Directors of the Group is responsible for the preparation and presentation of this condensed consolidated interim financial information in accordance with FAS 41, "Interim Financial Reporting". Our responsibility is to express a conclusion on this condensed consolidated interim financial information based on our review.

Scope of Review

We conducted our review in accordance with the International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Auditing standards for Islamic Financial Institutions and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying 30 September 2026 condensed consolidated interim financial information is not prepared, in all material respects, in accordance with FAS 41, "Interim Financial Reporting".

Other matter

The consolidated financial statements of the Group as at and for the year ended 31 December 2025 were audited by another auditor who expressed an unmodified opinion on those consolidated financial statements on 16 February 2026. The condensed consolidated interim financial information of the Group as at and for the nine-month period ended 30 September 2025 were reviewed by the same auditor who expressed an unmodified conclusion on those condensed consolidated interim financial information on 9 November 2025.

KPMG

12 November 2026

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CONDENSED CONSOLIDATED INTERIM STATEMENT OF INCOME

Nine month period ended 30 September 2026 (Reviewed)

	Note	*Three months ended 30 September*		*Nine months ended 30 September*	
		2026	*2025*	***2026***	*2025*
		US$ '000	*US$ '000*	***US$ '000***	*US$ '000*
Financing income		**479,051**	468,981	**1,389,596**	1,371,862
Finance cost		**93,314**	87,501	**261,317**	233,884
Net distribution to quasi-equity		**196,073**	199,557	**560,909**	598,817
Net financing income		**189,664**	181,923	**567,370**	539,161
Fees and commissions - net		**22,052**	20,985	**57,830**	55,898
Trading income		**7,728**	8,655	**24,889**	21,473
Investment and other income		**45,868**	56,624	**121,763**	176,724
Fees and other income		**75,648**	86,264	**204,482**	254,095
TOTAL OPERATING INCOME		**265,312**	268,187	**771,852**	793,256
Staff costs		**43,338**	37,498	**125,952**	110,501
Depreciation		**8,615**	8,063	**24,960**	23,945
Other operating expenses		**40,409**	37,729	**115,906**	99,681
TOTAL OPERATING EXPENSES		**92,362**	83,290	**266,818**	234,127
NET OPERATING INCOME BEFORE ALLOWANCE FOR IMPAIRMENT, CREDIT LOSSES AND OTHERS		**172,950**	184,897	**505,034**	559,129
Allowance / (reversal) for impairment, credit losses and others	6c	**9,079**	(17,639)	**21,736**	(11,623)
PROFIT BEFORE TAX		**163,871**	202,536	**483,298**	570,752
Tax expense	13	**28,915**	29,728	**83,991**	89,418
NET PROFIT FOR THE PERIOD		**134,956**	172,808	**399,307**	481,334
Attributable to:					
The owner of the Bank		**133,630**	170,005	**394,860**	475,889
Non-controlling interests		**1,326**	2,803	**4,447**	5,445
		134,956	172,808	**399,307**	481,334
EARNINGS PER SHARE ATTRIBUTABLE TO THE OWNER OF THE BANK					
Basic and diluted earnings per ordinary share (US cents)	3	**1.2**	1.5	**3.4**	4.2

Hamad Abdulmohsen Almarzouq	**Adel A. El-Labban**	**Shadi A. Zahran**
Chairman	Deputy Chairman	Group Chief Executive Officer

The accompanying notes 1 to 14 form an integral part of these condensed consolidated interim financial information

CONDENSED CONSOLIDATED INTERIM STATEMENT OF COMPREHENSIVE INCOME

Nine month period ended 30 September 2026 (Reviewed)

	Three months ended 30 September		*Nine months ended 30 September*	
	2026	*2025*	***2026***	*2025*
	US$ '000	*US$ '000*	***US$ '000***	*US$ '000*
Net profit for the period	**134,956**	172,808	**399,307**	481,334
Other Comprehensive Income (OCI)				
Items that are or may be reclassified subsequently to the consolidated statement of income				
Foreign currency translation adjustments	**(28,011)**	16,128	**(49,143)**	(12,599)
Net change in fair value of equity investments measured at fair value through OCI	**187**	(21,407)	**(21,200)**	243,200
Net change in fair value of debt-type instruments held at fair value through OCI	**(49,133)**	93,026	**(74,386)**	105,636
Transfers to the consolidated statement of income arising on sale of debt-type instruments at fair value through OCI	**(32,092)**	(14,301)	**(85,682)**	(39,002)
Net change in fair value of cash flow hedges	**-**	251	**-**	(115)
Other comprehensive (loss) / income for the period	**(109,049)**	73,697	**(230,411)**	297,120
Total comprehensive income for the period	**25,907**	246,505	**168,896**	778,454
Attributable to non-controlling interests	**108**	3,576	**2,081**	6,844
Attributable to the owner of the Bank	**25,799**	242,929	**166,815**	771,610
	25,907	246,505	**168,896**	778,454

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CONDENSED CONSOLIDATED INTERIM STATEMENT OF FINANCIAL POSITION

At 30 September 2026 (Reviewed)

	Note	*(Reviewed) 30 September 2026*	*(Audited) 31 December 2025*
		US$ '000	*US$ '000*
ASSETS			
Cash and balances with central banks		**960,155**	1,064,208
Due from central banks and sukuk		**1,404,738**	1,056,365
Due from banks		**2,370,992**	2,539,392
Financing contracts	6	**13,150,575**	11,624,056
Investments	7	**9,454,104**	10,205,228
Investment in associates and joint ventures		**681,863**	685,401
Investment properties		**732,977**	675,537
Profit receivable and other assets		**1,073,084**	861,286
Premises and equipments		**194,637**	187,331
Goodwill and other intangible assets		**106,797**	109,098
TOTAL ASSETS		**30,129,922**	29,007,902
LIABILITIES, QUASI-EQUITY AND OWNER EQUITY			
LIABILITIES			
Due to banks		**2,444,499**	1,053,695
Term financing against sukuk		**4,623,978**	4,685,246
Customers' accounts		**1,981,418**	2,138,365
Term financing		**1,540,079**	1,238,294
Profit payable and other liabilities		**1,201,300**	861,829
TOTAL LIABILITIES		**11,791,274**	9,977,429
QUASI-EQUITY			
Banks		**1,261,127**	2,215,733
Non-banks and individuals		**11,698,332**	10,599,565
Sukuk payable	14b	**-**	587,997
TOTAL QUASI-EQUITY	8	**12,959,459**	13,403,295
OWNER EQUITY			
Ordinary share capital		**2,786,983**	2,786,983
Share premium and reserves		**2,127,875**	2,377,924
Equity attributable to the shareholder of the Bank		**4,914,858**	5,164,907
Perpetual Tier 1 Sukuk		**400,000**	400,000
Total equity attributable to owner		**5,314,858**	5,564,907
Non-controlling interests		**64,331**	62,271
TOTAL OWNER EQUITY		**5,379,189**	5,627,178
TOTAL LIABILITIES, QUASI-EQUITY AND OWNER EQUITY		**30,129,922**	29,007,902
OFF-BALANCE SHEET			
Assets under management		**1,661,577**	1,773,183
Contingencies and commitments	4	**2,509,679**	2,617,824

Hamad Abdulmohsen Almarzouq	**Adel A. El-Labban**	**Shadi A. Zahran**
Chairman	Deputy Chairman	Group Chief Executive Officer

The accompanying notes 1 to 14 form an integral part of these condensed consolidated interim financial information

CONDENSED CONSOLIDATED INTERIM STATEMENT OF CASH FLOWS

Nine month period ended 30 September 2026 (Reviewed)

	Note	*Nine months ended 30 September*	
		2026	*2025*
		US$ '000	*US$ '000*
OPERATING ACTIVITIES			
Profit before tax		**483,298**	570,752
Adjustments for:			
Depreciation		**24,960**	23,945
Net gain on sale of investments		**(93,681)**	(75,281)
Allowance for impairment, credit losses and others - net	6c	**21,736**	(11,623)
Profit share from associates and joint ventures		**(3,145)**	(4,242)
Operating profit before changes in operating assets and liabilities		**433,168**	503,551
Changes in:			
Mandatory reserves with central banks		**129,867**	(31,923)
Due from central banks and sukuk		**(301,856)**	(318,795)
Due from banks		**269,189**	850,622
Financing contracts		**(1,583,227)**	(830,388)
Profit receivable and other assets		**(211,796)**	267,244
Due to banks and quasi-equity		**436,198**	52,071
Term financing against sukuk		**(61,268)**	(263,992)
Customers' accounts and quasi-equity		**941,820**	394,541
Profit payable and other liabilities		**(90,991)**	63,446
Net cash (used in) / generated from operations		**(38,896)**	686,377
Tax paid		**(68,587)**	(62,524)
Net cash (used in) / generated from operating activities		**(107,483)**	623,853
INVESTING ACTIVITIES			
Purchase of Investments		**(1,130,431)**	(2,030,150)
Proceeds from sale or redemption of Investments		**1,786,891**	1,710,548
Movement in subsidiaries		**(141)**	(178)
Proceeds from sale of investment in associates		**-**	419,544
Net movement in investment properties		**(12,360)**	-
Net movement in premises and equipments		**(32,266)**	(24,857)
Net cash generated from investing activities		**611,693**	74,907
FINANCING ACTIVITIES			
Settlement related to Perpetual Tier 1 Capital Securities		**-**	(400,000)
Proceeds from issuance of Perpetual Tier 1 Sukuk, net of issuance costs		**-**	399,641
Distributions related to Perpetual Tier 1 Sukuk / Capital Securities		**(13,418)**	(11,678)
Dividends paid		**-**	(585,266)
Repayment of sukuk payable		**(600,000)**	-
Issuance of term financing		**300,000**	400,000
Net cash used in financing activities		**(313,418)**	(197,303)
NET CHANGE IN CASH AND CASH EQUIVALENTS		**190,792**	501,457
Net foreign exchange difference		**(17,672)**	19,301
Cash and cash equivalents at 1 January		**2,261,394**	2,144,838
CASH AND CASH EQUIVALENTS AT 30 SEPTEMBER		**2,434,514**	2,665,596
Cash and cash equivalents comprise:			
Cash and balances with central banks, excluding mandatory reserves		**485,735**	427,282
Due from banks, central banks and sukuk with an original maturity of three months or less		**1,948,779**	2,238,314
		2,434,514	2,665,596
Additional cash flow information:			
Profit received		**1,394,899**	1,365,236
Profit paid		**845,047**	789,524

The accompanying notes 1 to 14 form an integral part of these condensed consolidated interim financial information

Kuwait Finance House B.S.C. (c)

CONDENSED CONSOLIDATED INTERIM STATEMENT OF CHANGES IN OWNER EQUITY

Nine month period ended 30 September 2026 (Reviewed)

	Attributable to the owner of the Bank									
		Share premium and reserves								
	Ordinary share capital US$ '000	*Share premium US$ '000*	*Statutory reserve US$ '000*	*Retained earnings US$ '000*	*Other reserves (note 9) US$ '000*	*Total share premium and reserves US$ '000*	*Total US$ '000*	*Perpetual Tier 1 Sukuk / Capital Securities US$ '000*	*Non-controlling interests US$ '000*	*Total US$ '000*
Balance at 1 January 2026	**2,786,983**	**758,170**	**1,031,689**	**1,391,779**	**(803,714)**	**2,377,924**	**5,164,907**	**400,000**	**62,271**	**5,627,178**
Distribution on Perpetual Tier 1 Sukuk (note 3)	**-**	**-**	**-**	**(13,418)**	**-**	**(13,418)**	**(13,418)**	**-**	**-**	**(13,418)**
Ordinary share dividend	**-**	**-**	**-**	**(401,326)**	**-**	**(401,326)**	**(401,326)**	**-**	**-**	**(401,326)**
Donations	**-**	**-**	**-**	**(2,000)**	**-**	**(2,000)**	**(2,000)**	**-**	**-**	**(2,000)**
Movement in subsidiaries				**(120)**	**-**	**(120)**	**(120)**	**-**	**(21)**	**(141)**
Total comprehensive income for the period	**-**	**-**	**-**	**394,860**	**(228,045)**	**166,815**	**166,815**	**-**	**2,081**	**168,896**
Balance at 30 September 2026	**2,786,983**	**758,170**	**1,031,689**	**1,369,775**	**(1,031,759)**	**2,127,875**	**4,914,858**	**400,000**	**64,331**	**5,379,189**
Balance at 1 January 2025	2,786,983	758,170	958,630	1,347,125	(856,089)	2,207,836	4,994,819	400,000	53,426	5,448,245
Distribution on Perpetual Tier 1 Capital Securities (note 3)	-	-	-	(11,678)	-	(11,678)	(11,678)	-	-	(11,678)
Settlement of Perpetual Tier 1 Capital Securities	-	-	-	-	-	-	-	(400,000)	-	(400,000)
Issuance of Perpetual Tier 1 Sukuk	-	-	-	-	-	-	-	400,000	-	400,000
Expense related to Perpetual Tier 1 Sukuk issued	-	-	-	(359)	-	(359)	(359)	-	-	(359)
Ordinary share dividend	-	-	-	(585,266)	-	(585,266)	(585,266)	-	-	(585,266)
Donations	-	-	-	(2,000)	-	(2,000)	(2,000)	-	-	(2,000)
Movement in subsidiaries	-	-	-	(151)	-	(151)	(151)	-	(27)	(178)
Total comprehensive income for the period	-	-	-	475,889	295,721	771,610	771,610	-	6,844	778,454
Balance at 30 September 2025	2,786,983	758,170	958,630	1,223,560	(560,368)	2,379,992	5,166,975	400,000	60,243	5,627,218

The accompanying notes 1 to 14 form an integral part of these condensed consolidated interim financial information

CONDENSED CONSOLIDATED INTERIM STATEMENT OF INCOME AND ATTRIBUTION RELATED TO QUASI-EQUITY

Nine month period ended 30 September 2026 (Reviewed)

	Three months ended 30 September		***Nine months ended 30 September***	
	2026	*2025*	***2026***	*2025*
	US$ '000	*US$ '000*	***US$ '000***	*US$ '000*
Gross financing income	**479,051**	468,981	**1,389,596**	1,371,862
Less: Income not attributable to quasi-equity	**(166,914)**	(164,402)	**(509,212)**	(472,976)
	312,137	304,579	**880,384**	898,886
Adjusted for:				
Expenses attributable to quasi-equity	**(7,016)**	(13,707)	**(33,383)**	(62,768)
Bank's share of income for its own / share of investments	**(38,465)**	(47,140)	**(102,246)**	(149,177)
Reversal / (allowance) of impairment and credit losses - attributable to quasi-equity	**418**	(9,786)	**(18,337)**	(11,199)
Total income attributable to quasi-equity	**267,074**	233,946	**726,418**	675,742
Net Wakala fees and Mudarib share of profit	**(71,001)**	(34,389)	**(165,509)**	(76,925)
Net profit distributable to quasi-equity	**196,073**	199,557	**560,909**	598,817

The accompanying notes 1 to 14 form an integral part of these condensed consolidated interim financial information

CONDENSED CONSOLIDATED INTERIM STATEMENT OF CHANGES IN OFF-BALANCE SHEET ASSETS UNDER MANAGEMENT

Nine month period ended 30 September 2026 (Reviewed)

	Participatory investments	*Investments in real estate*	*Investments in sukuk, shares and other securities*	*Total*
	US$ '000	*US$ '000*	*US$ '000*	*US$ '000*
Balance at 1 January 2026	**312,453**	**341,348**	**1,119,382**	**1,773,183**
Additions	**81,421**	**-**	**339,830**	**421,251**
Disposals / maturities	**(49,043)**	**(30,219)**	**(432,071)**	**(511,333)**
Net increase / (decrease)	**32,378**	**(30,219)**	**(92,241)**	**(90,082)**
Market movements	**(8,829)**	**6,780**	**(19,475)**	**(21,524)**
Balance at 30 September 2026	**336,002**	**317,909**	**1,007,666**	**1,661,577**
Balance at 1 January 2025	295,479	533,675	908,973	1,738,127
Additions	39,555	-	344,491	384,046
Disposals / maturities	(32,490)	(190,109)	(338,790)	(561,389)
Net increase / (decrease)	7,065	(190,109)	5,701	(177,343)
Market movements	14,828	9,366	19,570	43,764
Balance at 30 September 2025	317,372	352,932	934,244	1,604,548

The accompanying notes 1 to 14 form an integral part of these condensed consolidated interim financial information

1 CORPORATE INFORMATION

Kuwait Finance House B.S.C. (c) ("KFH Bahrain" or "the Bank") was incorporated in the Kingdom of Bahrain on 12 July 2000. The Bank and its subsidiaries (collectively referred to as "the Group") are engaged in banking business, global fund management and private banking services in the Kingdom of Bahrain, the Arab Republic of Egypt, Republic of Iraq, the United Kingdom and an overseas branch in Dubai International Financial Centre (DIFC). It also operates through its associate in the State of Libya. The Bank operates under an Islamic retail banking license issued by the Central Bank of Bahrain ("CBB"). The Bank's registered office is located at Building 2495, Road 2832, Al Seef District 428, Kingdom of Bahrain. Effective 10 July 2025, the legal name of the Bank was changed from Ahli United Bank B.S.C. (c) to Kuwait Finance House B.S.C. (c). All legal and regulatory formalities have been completed in this regard.

KFH Bahrain is a 100% owned subsidiary of Kuwait Finance House K.S.C.P. ("KFH" or "Parent"). KFH is a public shareholding company incorporated in the State of Kuwait on 23 March 1977 and operates under an Islamic banking licence issued by the Central Bank of Kuwait and its ordinary shares are listed in the Boursa Kuwait and Bahrain Bourse.

All income and expenses from non-Shari'a compliant activities are treated based on the guidelines provided by the Shari'a Supervisory Board.

The condensed consolidated interim financial information of the Group for the nine-month period ended 30 September 2026 were authorised for issue in accordance with a resolution of the Board of Directors ("BOD") dated 12 November 2026.

2 ACCOUNTING POLICIES

2.1 Basis of preparation

The condensed consolidated interim financial information of the Group has been prepared in accordance with Financial Accounting Standard FAS 41, Interim Financial Reporting ("FAS 41") issued by the Accounting and Auditing Organisation of Islamic Financial Institutions ("AAOIFI") and the Shari'a rules and principles as determined by the Shari'a Supervisory Board of the Bank in conformity with the Bahrain Commercial Companies Law and the Central Bank of Bahrain and Financial Institutions Law, the CBB Rule Book (Volume 2 and applicable provisions of Volume 6) and CBB directives and should be read in conjunction with the Group's annual audited consolidated financial statements as at 31 December 2025. The interim consolidated net profit for the nine-month period ended 30 September 2026 may not represent a proportionate share of the annual net profit or loss due to variability of income and operating expenses.

The condensed consolidated interim financial information is reviewed, not audited. The comparatives for the condensed consolidated interim statement of financial position have been extracted from the audited consolidated financial statements for the year ended 31 December 2025 and comparatives for the condensed consolidated interim statements of income, comprehensive income, changes in owner equity, cash flows, income and attribution related to quasi-equity and off-balance sheet assets under management have been extracted from the reviewed condensed consolidated interim financial information for the nine months ended 30 September 2025.

2 ACCOUNTING POLICIES (continued)

2.1 Basis of preparation (continued)

For matters not covered by FAS, the Group uses relevant IFRS Accounting Standards as issued by the International Accounting Standards Board. The accounting policies used in the preparation of these condensed consolidated interim financial information are consistent with those used in the previous year, except for the following changes which became effective for annual periods beginning on or after 1 January 2026. The adoption of these standards did not have a significant impact on the condensed consolidated interim financial information.

- FAS 45: Quasi-Equity (Including Investment Accounts)
- FAS 46: Off-Balance-Sheet Assets Under Management
- FAS 47: Transfer of Assets Between Investment Pools
- FAS 48: Promotional Gifts and Prizes

2.2 New and amended standards and interpretations issued but not yet effective

The standards and interpretations that are issued but not yet effective, up to the date of issuance of the Group's condensed consolidated interim financial information are disclosed below.

- FAS 50 - Financial reporting for Islamic Investment institutions (including investment funds)- effective for the financial periods beginning on or after 1 January 2027 with early adoption permitted.

- Withdrawal of FAS 26 – Investment in Real Estate and Related Transitional Provisions- effective for the financial periods beginning on or after 1 January 2027 with early adoption permitted.

The Group is currently evaluating the impact of adopting these standards and amendments. The Group will adopt it when these become effective.

3 EARNINGS PER ORDINARY SHARE

	Three months ended 30 September		*Nine months ended 30 September*	
	2026	*2025*	***2026***	*2025*
	US$ '000	*US$ '000*	***US$ '000***	*US$ '000*
For basic and diluted earnings per share computation				
Net profit attributable to the owner of the Bank	**133,630**	170,005	**394,860**	475,889
Less: Share of Perpetual Tier 1 Sukuk and Capital Securities distributions	**-**	-	**(13,418)**	(11,678)
Adjusted net profit for the period attributable to the owner of the Bank for basic and diluted earnings per ordinary share	**133,630**	170,005	**381,442**	464,211
Weighted average ordinary shares outstanding during the period (in millions)	**11,147.9**	11,147.9	**11,147.9**	11,147.9
Basic and diluted earnings per ordinary share (US cents)	**1.2**	1.5	**3.4**	4.2
Issued and fully paid ordinary shares of US$ 0.25 each (in millions)	**11,147.9**	11,147.9	**11,147.9**	11,147.9

4 CONTINGENCIES AND COMMITMENTS

The Group had the following credit related contingent liabilities:

	(Reviewed) 30 September 2026	*(Audited) 31 December 2025*
	US$ '000	*US$ '000*
Contingent liabilities:		
Guarantees	**1,982,262**	2,093,937
Letters of credit	**386,330**	311,853
	2,368,592	2,405,790
Irrevocable commitments:		
Unutilised financing commitments	**141,087**	212,034
Contingencies and Commitments	**2,509,679**	2,617,824

5 SEGMENT INFORMATION

For management reporting purposes, the Group is organised into four major business segments:

- Retail banking
- Corporate banking
- Treasury and investments
- Private banking

These segments are the basis on which the Group reports its primary segment information. Transactions between segments are conducted at approximate market rates on an arm's length basis. Profit is charged/credited to business segments based on a pool rate which approximates the cost of funds.

5 SEGMENT INFORMATION (continued)

Segmental information for the period was as follows:

	Retail banking	*Corporate banking*	*Treasury and investments*	*Private banking*	*Total*
	US$ '000	*US$ '000*	*US$ '000*	*US$ '000*	*US$ '000*
Nine months ended 30 September 2026:					
Net financing income	**104,713**	**174,895**	**257,686**	**30,076**	**567,370**
Fees and commissions - net	**14,256**	**31,540**	**8,049**	**3,985**	**57,830**
Other operating income	**162**	**1,120**	**145,020**	**350**	**146,652**
OPERATING INCOME	**119,131**	**207,555**	**410,755**	**34,411**	**771,852**
Allowance / (reversal) for impairment, credit losses and others	**7,741**	**(8,683)**	**18,881**	**3,797**	**21,736**
NET OPERATING INCOME	**111,390**	**216,238**	**391,874**	**30,614**	**750,116**
Operating expenses	**71,454**	**65,635**	**101,086**	**28,643**	**266,818**
PROFIT BEFORE TAX	**39,936**	**150,603**	**290,788**	**1,971**	**483,298**
Tax expense					**83,991**
NET PROFIT FOR THE PERIOD					**399,307**
Attributable to non-controlling interests					**4,447**
NET PROFIT ATTRIBUTABLE TO THE OWNER OF THE BANK					**394,860**
Inter segment financing income (cost) included in net financing income above	**125,936**	**(217,177)**	**(16,376)**	**107,617**	**-**

	Retail banking	*Corporate banking*	*Treasury and investments*	*Private banking*	*Total*
	US$ '000	*US$ '000*	*US$ '000*	*US$ '000*	*US$ '000*
As at 30 September 2026:					
Segment assets	**1,693,795**	**11,065,222**	**14,452,014**	**862,510**	**28,073,541**
Goodwill	**81,284**	**2,794**	**5,542**	**330**	**89,950**
Other intangible assets	**4,572**	**6,048**	**5,514**	**713**	**16,847**
Investment in associates					**681,863**
Unallocated assets					**1,267,721**
TOTAL ASSETS					**30,129,922**
Segment liabilites and quasi equity	**3,504,393**	**5,369,175**	**12,459,296**	**2,216,569**	**23,549,433**
Unallocated Liabilities					**1,201,300**
TOTAL LIABILITIES AND QUASI-EQUITY					**24,750,733**

5 SEGMENT INFORMATION (continued)

	Retail banking	*Corporate banking*	*Treasury and investments*	*Private banking*	*Total*
	US$ '000	*US$ '000*	*US$ '000*	*US$ '000*	*US$ '000*
Nine months ended 30 September 2025:					
Net financing income	102,045	145,190	254,400	37,526	539,161
Fees and commissions - net	14,388	26,721	11,277	3,512	55,898
Other operating income	110	161	197,306	620	198,197
OPERATING INCOME	116,543	172,072	462,983	41,658	793,256
Allowance / (reversal) for impairment, credit losses and others	18,170	3,421	(34,768)	1,554	(11,623)
NET OPERATING INCOME	98,373	168,651	497,751	40,104	804,879
Operating expenses	56,935	61,323	84,952	30,917	234,127
PROFIT BEFORE TAX	41,438	107,328	412,799	9,187	570,752
Tax expense					89,418
NET PROFIT FOR THE PERIOD					481,334
Attributable to non-controlling interests					5,445
NET PROFIT ATTRIBUTABLE TO THE OWNER OF THE BANK					475,889
Inter segment financing income (cost) included in net financing income above	157,126	(196,538)	(155,122)	194,534	-

	Retail banking	*Corporate banking*	*Treasury and investments*	*Private banking*	*Total*
	US$ '000	*US$ '000*	*US$ '000*	*US$ '000*	*US$ '000*
As at 31 December 2025:					
Segment assets	1,371,536	9,888,853	15,008,772	895,625	27,164,786
Goodwill	81,486	3,055	5,780	360	90,681
Other intangible assets	4,998	6,610	6,029	780	18,417
Investment in associates					685,401
Unallocated assets					1,048,617
TOTAL ASSETS					29,007,902
Segment liabilites and quasi-equity	3,429,833	5,416,370	11,514,979	2,157,713	22,518,895
Unallocated Liabilities					861,829
TOTAL LIABILITIES AND QUASI-EQUITY					23,380,724

6 FINANCING CONTRACTS

a) Credit quality of financing contracts

	30 September 2026 (Reviewed)			
	Stage 1	***Stage 2***	***Stage 3***	***Total***
	US$ '000	***US$ '000***	***US$ '000***	***US$ '000***
High standard grade	**6,897,530**	**84,802**	**-**	**6,982,332**
Standard grade	**5,193,824**	**1,155,949**	**-**	**6,349,773**
Credit impaired	**-**	**-**	**360,290**	**360,290**
	12,091,354	**1,240,751**	**360,290**	**13,692,395**
ECL allowances	**(102,978)**	**(188,336)**	**(250,506)**	**(541,820)**
	11,988,376	**1,052,415**	**109,784**	**13,150,575**

	31 December 2025 (Audited)			
	Stage 1	*Stage 2*	*Stage 3*	*Total*
	US$ '000	*US$ '000*	*US$ '000*	*US$ '000*
High standard grade	6,232,514	72,638	-	6,305,152
Standard grade	4,300,083	1,262,929	-	5,563,012
Credit impaired	-	-	302,690	302,690
	10,532,597	1,335,567	302,690	12,170,854
ECL allowances	(79,166)	(226,922)	(240,710)	(546,798)
	10,453,431	1,108,645	61,980	11,624,056

b) Reconciliation of ECL allowances

	2026 (Reviewed)			
	Stage 1	***Stage 2***	***Stage 3***	***Total***
	US$ '000	***US$ '000***	***US$ '000***	***US$ '000***
At 1 January 2026	**79,166**	**226,922**	**240,710**	**546,798**
Transfer from Stage 1	**(1,194)**	**766**	**428**	**-**
Transfer from Stage 2	**8,872**	**(54,393)**	**45,521**	**-**
Transfer from Stage 3	**704**	**2,601**	**(3,305)**	**-**
Net remeasurement of ECL allowances *	**19,487**	**14,105**	**4,311**	**37,903**
Amounts written-off	**-**	**-**	**(35,302)**	**(35,302)**
Exchange rate and other adjustments	**(4,057)**	**(1,665)**	**(1,857)**	**(7,579)**
At 30 September 2026	**102,978**	**188,336**	**250,506**	**541,820**

* During the period, the Bank recorded a recovery of US$ 32.5 million, recognized under net remeasurement of Stage 3 ECL allowances.

6 FINANCING CONTRACTS (continued)

b) Reconciliation of ECL allowances (continued)

	2025 (Reviewed)			
	Stage 1	*Stage 2*	*Stage 3*	*Total*
	US$ '000	*US$ '000*	*US$ '000*	*US$ '000*
At 1 January 2025	79,474	249,640	204,443	533,557
Transfer from Stage 1	(2,758)	2,758	-	-
Transfer from Stage 2	9,119	(10,946)	1,827	-
Transfer from Stage 3	-	3,014	(3,014)	-
Net remeasurement of ECL allowances	(8,856)	(42,231)	41,439	(9,648)
Amounts written-off	-	-	(29,786)	(29,786)
Exchange rate and other adjustments	2,806	(3,463)	2,947	2,290
At 30 September 2025	79,785	198,772	217,856	496,413

c) Allowance / (reversal) for impairment, credit losses and others

	Nine months ended 30 September	
	2026	*2025*
	US$ '000	*US$ '000*
Net remeasurement of ECL on financing contracts (note 6 b)	**37,903**	(9,648)
Recoveries from financing contracts during the period (from fully provided financing contracts written-off in previous years)	**(26,274)**	(19,222)
Net remeasurement of ECL for Investments (note 7 b)	**7,077**	3,802
Net remeasurement of ECL on off-balance sheet exposures and others	**(2,523)**	4,228
Net other provision charges	**5,553**	9,217
	21,736	(11,623)

7 INVESTMENTS

a) Credit quality of investments

	30 September 2026 (Reviewed)			
	Stage 1	***Stage 2***	***Stage 3***	***Total***
	US$ '000	***US$ '000***	***US$ '000***	***US$ '000***
High standard grade	**5,797,365**	**-**	**-**	**5,797,365**
Standard grade	**3,586,208**	**2,674**	**-**	**3,588,882**
Impaired	**-**	**-**	**10,039**	**10,039**
	9,383,573	**2,674**	**10,039**	**9,396,286**
ECL allowances	**(16,606)**	**(242)**	**(5,546)**	**(22,394)**
	9,366,967	**2,432**	**4,493**	**9,373,892**
Equity instruments at fair value				**80,212**
				9,454,104

7 INVESTMENTS (continued)

a) Credit quality of investments (continued)

	31 December 2025 (Audited)			
	Stage 1	*Stage 2*	*Stage 3*	*Total*
	US$ '000	*US$ '000*	*US$ '000*	*US$ '000*
High standard grade	6,400,308	-	-	6,400,308
Standard grade	3,709,345	3,730	-	3,713,075
	10,109,653	3,730	-	10,113,383
ECL allowances	(15,152)	(4)	-	(15,156)
	10,094,501	3,726	-	10,098,227
Equity instruments at fair value				107,001
				10,205,228

Equity instruments held at fair value include investments amounting to US$ 11.7 million (31 December 2025: US$ 11.6 million) which are designated as fair value through income statement. Income from these investments for the period amounted to US$ 0.2 million (30 September 2025: US$ 0.2 million).

b) Reconciliation of ECL allowances

	2026 (Reviewed)			
	Stage 1	***Stage 2***	***Stage 3***	***Total***
	US$ '000	***US$ '000***	***US$ '000***	***US$ '000***
At 1 January 2026	**15,152**	**4**	**-**	**15,156**
Transfer from Stage 1	**(46)**	**-**	**46**	**-**
Net remeasurement of ECL allowances	**1,703**	**(126)**	**5,500**	**7,077**
Exchange rate and other adjustments	**(203)**	**364**	**-**	**161**
At 30 September 2026	**16,606**	**242**	**5,546**	**22,394**

	2025 (Reviewed)			
	Stage 1	*Stage 2*	*Stage 3*	*Total*
	US$ '000	*US$ '000*	*US$ '000*	*US$ '000*
At 1 January 2025	10,094	1,402	-	11,496
Net remeasurement of ECL allowances	3,817	(15)	-	3,802
Exchange rate and other adjustments	104	108	-	212
At 30 September 2025	14,015	1,495	-	15,510

8 QUASI-EQUITY

Type of quasi-equity	*(Reviewed) 30 September 2026*	*(Audited) 31 December 2025*
	US$ '000	*US$ '000*
Mudaraba-based accounts	**865,186**	971,649
Wakala-based accounts	**12,094,273**	12,431,646
	12,959,459	13,403,295

Assets in which Quasi Equity Account Holders' (QEH) funds were invested jointly with the Group's own funds are as follows:

	30 September 2026 (Reviewed)		
	US$ '000		
	Self financed assets	***Jointly financed assets***	***Total***
Cash and balances with central banks	**682,044**	**278,111**	**960,155**
Due from banks and central banks and sukuk	**3,171,138**	**604,592**	**3,775,730**
Financing contracts	**1,521,577**	**11,628,998**	**13,150,575**
Investments	**9,006,346**	**447,758**	**9,454,104**
Investment in associates and joint ventures	**681,863**	**-**	**681,863**
Investment properties	**732,977**	**-**	**732,977**
Profit receivable and other assets	**1,073,084**	**-**	**1,073,084**
Premises and equipments	**194,637**	**-**	**194,637**
Goodwill and other intangible assets	**106,797**	**-**	**106,797**
	17,170,463	**12,959,459**	**30,129,922**

	31 December 2025 (Audited)		
	US$ '000		
	Self financed assets	*Jointly financed assets*	*Total*
Cash and balances with central banks	959,244	104,964	1,064,208
Due from banks and central banks and sukuk	2,633,677	962,080	3,595,757
Financing contracts	97,637	11,526,419	11,624,056
Investments	9,395,396	809,832	10,205,228
Investment in associates and joint ventures	685,401	-	685,401
Investment properties	675,537	-	675,537
Profit receivable and other assets	861,286	-	861,286
Premises and equipments	187,331	-	187,331
Goodwill and other intangible assets	109,098	-	109,098
	15,604,607	13,403,295	29,007,902

9 MOVEMENT IN OTHER RESERVES

		Other comprehensive income					
				Cumulative changes in			
	Capital reserve	*Property revaluation reserve*	*Foreign exchange translation reserve*	*OCI reserve*	*Cash flow hedge reserve*	*Pension fund reserve*	*Total other reserves*
	US$ '000	*US$ '000*	*US$ '000*	*US$ '000*	*US$ '000*	*US$ '000*	*US$ '000*
Balance at 1 January 2026	**17,240**	**35,090**	**(950,462)**	**149,706**	**-**	**(55,288)**	**(803,714)**
Currency translation adjustments	**-**	**-**	**(47,250)**	**-**	**-**	**(109)**	**(47,359)**
Transfers to condensed consolidated interim statement of income	**-**	**-**	**-**	**(85,603)**	**-**	**-**	**(85,603)**
Net fair value movements	**-**	**-**	**-**	**(95,083)**	**-**	**-**	**(95,083)**
Balance at 30 September 2026	**17,240**	**35,090**	**(997,712)**	**(30,980)**	**-**	**(55,397)**	**(1,031,759)**

		Other comprehensive income					
				Cumulative changes in			
	Capital reserve	*Property revaluation reserve*	*Foreign exchange translation reserve*	*OCI reserve*	*Cash flow hedge reserve*	*Pension fund reserve*	*Total other reserves*
	US$ '000	*US$ '000*	*US$ '000*	*US$ '000*	*US$ '000*	*US$ '000*	*US$ '000*
Balance at 1 January 2025	17,240	35,090	(939,077)	85,803	-	(55,145)	(856,089)
Currency translation adjustments	-	-	(13,419)	-	-	(292)	(13,711)
Transfers to condensed consolidated interim statement of income	-	-	-	(38,947)	-	-	(38,947)
Net fair value movements	-	-	-	348,494	(115)	-	348,379
Balance at 30 September 2025	17,240	35,090	(952,496)	395,350	(115)	(55,437)	(560,368)

10 FAIR VALUE MEASUREMENT

The fair value of financial assets and financial liabilities, with the exception of investments that are carried at amortised cost, approximate their carrying values. The fair value of the investments held at amortised cost was US$ 5,910.6 million as at 30 September 2026 (31 December 2025: US$ 6,624.7 million). Carrying value of these investments was US$ 5,838.0 million as at 30 September 2026 (31 December 2025: US$ 6,506.3 million).

The Group's primary medium and long-term financial liabilities are sukuk payable and term financing. The fair values of these financial liabilities are not materially different from their carrying values, since these liabilities are repriced at intervals of three or six months, depending on the terms and conditions of the instrument and the resultant applicable margins approximate the current spreads that would apply for obligations with similar maturities.

The Group uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

Level 1: Quoted (unadjusted) prices in active markets for identical assets or liabilities;
Level 2: Other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly; and
Level 3: Techniques which use inputs which have a significant effect on the recorded fair value that are not based on observable market data.

	30 September 2026 (Reviewed)			
	Level 1	***Level 2***	***Level 3***	***Total***
	US$ '000	***US$ '000***	***US$ '000***	***US$ '000***
Equity instruments at fair value	**656**	**51,232**	**28,324**	**80,212**
Debt instruments (FVTOCI)	**3,534,670**	**7,937**	**-**	**3,542,607**
Financing contracts	**-**	**-**	**4,650**	**4,650**
Shari'a compliant derivative financial assets	**-**	**514,539**	**-**	**514,539**
Shari'a compliant derivative financial liabilities	**-**	**73,115**	**-**	**73,115**

	31 December 2025 (Audited)			
	Level 1	*Level 2*	*Level 3*	*Total*
	US$ '000	*US$ '000*	*US$ '000*	*US$ '000*
Equity instruments at fair value	609	58,246	48,146	107,001
Debt instruments (FVTOCI)	3,582,360	15,122	-	3,597,482
Financing contracts	-	-	4,650	4,650
Shari'a compliant derivative financial assets	-	258,941	-	258,941
Shari'a compliant derivative financial liabilities	-	150,606	-	150,606

During the period ended 30 September 2026, the major movement in Level 3 equity instruments attributes to a decrease in fair value of a private equity investment amounting to US$ 17.8 million.

The increase in derivative financial assets during the period was primarily driven by upward movement in profit rate swaps, which had a positive mark-to-market impact on the Group's floating-rate receiver swap positions.

11 RELATED PARTY TRANSACTIONS

The Group enters into transactions with major shareholders, associates, directors, senior management and companies which are controlled, jointly controlled or significantly influenced by such parties in the ordinary course of business. All the financing contracts to related parties are performing and subject to ECL and impairment assessment.

The income, expense and the period end balances in respect of related parties included in the condensed consolidated interim financial information were as follows:

	2026				
	Major shareholders ***US$ '000***	***Associates*** ***US$ '000***	***Board of Directors*** ***US$ '000***	***Senior Management*** ***US$ '000***	***Other related parties*** ***US$ '000***
For the nine months ended 30 September 2026 (Reviewed)					
Financing income	**-**	**-**	**172**	**2**	**-**
Finance cost	**52,277**	**283**	**535**	**183**	**6**
Fees and commissions - net	**69**	**894**	**1**	**16**	**-**
Short term employee benefits	**-**	**-**	**-**	**14,094**	**-**
End of service benefits	**-**	**-**	**-**	**829**	**-**
Directors' fees and related expenses	**-**	**-**	**1,839**	**-**	**-**
As of 30 September 2026 (Reviewed)					
Due from banks	**570,354**	**1,362**	**-**	**-**	**-**
Financing contracts	**-**	**-**	**3,581**	**521**	**-**
Profit receivable and other assets	**252**	**-**	**131**	**-**	**2**
Due to banks	**1,732,999**	**22,802**	**-**	**-**	**-**
Customers' accounts and quasi-equity	**329,955**	**-**	**7,145**	**7,052**	**-**
Sukuk payable and term financing	**777,578**	**-**	**-**	**-**	**-**
Profit payable and other liabilities	**406,875**	**26**	**12**	**-**	**-**
Perpetual Tier 1 Sukuk	**400,000**	**-**	**-**	**-**	**-**
Commitments and contingent liabilities	**2,729**	**24,047**	**-**	**-**	**800**

11 RELATED PARTY TRANSACTIONS (continued)

	2025				
	Major shareholders US$ '000	*Associates US$ '000*	*Board of Directors US$ '000*	*Senior Management US$ '000*	*Other related parties US$ '000*
For the nine months ended 30 September 2025 (Reviewed)					
Financing income	5,291	-	71	-	-
Finance cost	16,427	271	351	68	-
Fees and commissions - net	25	1,142	1	4	-
Dividend income	50,943	-	-	-	-
Short term employee benefits	-	-	-	4,756	-
End of service benefits	-	-	-	339	-
Directors' fees and related expenses	-	-	1,799	-	-
As of 31 December 2025 (Audited)					
Due from banks	580,880	1,572	-	-	-
Financing contracts	-	-	3,878	189	-
Profit receivable and other assets	1,853	-	135	-	-
Due to banks	621,201	15,939	-	-	-
Customers' accounts and quasi-equity	365,266	-	3,789	1,809	-
Sukuk payable and term financing	476,901	-	-	-	-
Profit payable and other liabilities	1,584	27	4	-	-
Perpetual Tier 1 Sukuk	400,000	-	-	-	-
Commitments and contingent liabilities	2,456	26,515	-	-	-

12 CAPITAL ADEQUACY AND NET STABLE FUNDING RATIO (NSFR)

The total capital ratio is calculated in accordance with the capital adequacy guidelines, under Basel III, issued by the CBB. The minimum capital adequacy ratio as per CBB is 12.5%, including mandatory Capital Conservation Buffer (CCB) of 2.5%. KFH Bahrain has been designated as a Domestic Systemically Important Banks (DSIB) by the CBB. CBB has mandated in its rule book (DS-1.2.1) that DSIBs must hold additional Common Equity Tier 1 (CET 1) capital buffer of 1.5% of total RWA as calculated for the purpose of capital adequacy. Consequently, KFH Bahrain is required to maintain a minimum total capital adequacy ratio of 14.0%. The Group's total capital ratio is 28.8% as of 30 September 2026 (31 December 2025: 31.4%).

The NSFR ratio is calculated in accordance with the Liquidity Risk Management Module guidelines, issued by the CBB. The minimum NSFR ratio limit as per CBB is 80% (refer to note 14 a). The Group's consolidated NSFR ratio as of 30 September 2026 is 108.6% (31 December 2025: 117.1%).

	(Reviewed) 30 September 2026	*(Audited) 31 December 2025*
	US$ '000	*US$ '000*
Available Stable Funding:		
Regulatory capital	**5,544,750**	5,781,327
Stable deposits	**4,858,772**	4,107,940
Wholesale funding	**6,581,677**	7,628,387
Others	**429,329**	149,473
Total Available Stable Funding (A)	**17,414,528**	17,667,127
Required Stable Funding:		
High-Quality Liquid Assets (HQLA)	**2,244,496**	1,898,654
Performing financing contracts	**9,860,669**	8,561,706
Securities (other than HQLA)	**1,252,807**	1,957,876
Derivative contracts	**247,615**	344,119
Others	**2,188,111**	2,087,962
Off-balance sheet items	**248,998**	236,040
Total Required Stable Funding (B)	**16,042,696**	15,086,357
NSFR (%) (A/B)	**108.6%**	117.1%

13 TAXATION

The tax expense for the period was as follows:

	Nine months ended 30 September	
	2026	*2025*
	US$ '000	*US$ '000*
Domestic minimum top-up tax (DMTT)	**44,744**	49,468
Income tax excluding DMTT	**39,247**	39,950
	83,991	89,418

14 SIGNIFICANT EVENTS

a)

On 14 April 2026, the Central Bank of Bahrain announced several measures to support the economy and financial sector, including offering liquidity lines to retail banks against eligible securities, allowing repayment deferrals of up to 3 months for financing customers, extending repurchase operation maturities, reducing the required cash reserve ratio, and lowering LCR and NSFR thresholds for banks from 100% to 80%. The Group is continuing to evaluate the impact of these measures on its condensed consolidated interim financial information.

The Group maintains established risk management, business continuity and operational resilience frameworks, aligned with applicable Central Bank of Bahrain requirements, to support the continuity of critical banking services and enhance resilience across material risks, including those arising from current geopolitical developments in the Middle East.

Management continues to monitor regional developments and assess their potential impact on the Group's operations, customers, counterparties, liquidity, funding and broader risk profile. Based on the assessment performed up to the date of approval of these condensed consolidated interim financial information, the Group's core operations have continued without material disruption. Additionally, in determining the ECL allowance, the group has adjusted probability weighting of the economic scenarios for the affected operating units by increasing the weightage for downside scenarios to reflect uncertainty and volatility in forward-looking macroeconomic assumptions as follows:

	30 September 2026	*31 December 2025*	*30 September 2025*
Good	**15.0%**	20.0%	20.0%
Base	**35.0%**	35.0%	35.0%
Bad	**50.0%**	45.0%	45.0%

The situation remains evolving, and the Group will continue to monitor developments closely and update its assumptions, estimates and disclosures, as appropriate, in future reporting periods.

b)

During the period, the Bank fully settled its US$ 600 million Sukuk payable upon maturity.